

# United States Senate

WASHINGTON, DC 20510

August 7, 2012

The Honorable Eric Holder  
Attorney General  
U.S. Department of Justice  
950 Pennsylvania Avenue, N.W.  
Washington, D.C. 20530

**0966**

The Honorable Julius Genachowski  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

Dear Attorney General Holder and Chairman Genachowski,

We write concerning the proposed spectrum purchase and other commercial agreements between Verizon Wireless (“Verizon”) and several cable companies that are under review at the Department of Justice, Antitrust Division, and the Federal Communications Commission. As members of the Senate Committees on the Judiciary and Commerce, Science and Transportation, we support robust enforcement of antitrust laws and the efficient utilization of spectrum. We urge the Department and the Commission to evaluate the transactions at issue based upon established facts and legal principles, and to regard with scrutiny speculation about the transactions and the parties that is not borne out by credible evidence.


One of the transactions at issue involves the transfer of spectrum licenses from the cable companies to Verizon. The cable companies have not utilized their licenses to provide services to the public, so the transfer will put this spectrum – a scarce resource in high demand – to better use. We urge the Department and Commission to give strong consideration to that public benefit, in particular in light of the Administration’s stated desire to free more spectrum for use. We believe the public is best served by a free market in spectrum licenses, which depends upon the government freeing spectrum for sale and permitting a robust secondary market to operate.

Critics of the transaction have expressed concern about increasing concentration in spectrum license ownership. The Department and Commission should thus take care to evaluate concerns in light of established legal precedent and available evidence about the transaction and the impact it will have. They should also take into account Verizon’s recently-announced plans to auction certain spectrum licenses and swap others with its wireless competitor T-Mobile, should the transaction be approved.

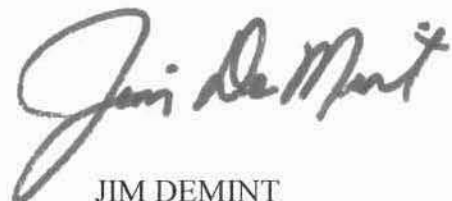
Some have expressed concern about a proposed transaction under which Verizon and the cable companies would partner to offer consumers a “quadruple play” of landline and wireless telephone, Internet and cable television. They speculate that this will inhibit competition in the cable market by reducing the incentive of Verizon’s parent, Verizon Communications Inc., to sell or expand its FiOS service. The Department and Commission should evaluate the economic reality of Verizon Communication’s investment in FiOS based on the evidence before them. They should also consider the additional competition that will result from the potential market entry of the cable companies as wireless providers.

In writing this letter, we are mindful of the proper role of Congress and the authority vested in the Department and the Commission to review the aspects of the transactions before them. We trust that the Department and the Commission will conduct a thorough review of the transactions based on established facts and legal principles.

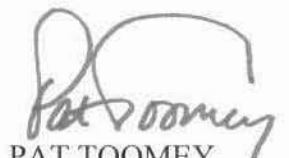
Sincerely,



JOHN CORNYN  
United States Senator



JIM DEMINT  
United States Senator



PAT TOOMEY  
United States Senator



MIKE LEE  
United States Senator



TOM COBURN  
United States Senator



FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Tom Coburn  
United States Senate  
172 Russell Senate Office Building  
Washington, D.C. 20510

Dear Senator Coburn:

Thank you for your letter expressing concerns about the proposed spectrum transfer and commercial agreements among CellCo Partnership d/b/a Verizon Wireless, Cox Communications, and SpectrumCo, LLC. I value your views and will ensure that your letter is included in the record of this proceeding and considered as part of the Commission's review.

I can assure you that the Commission is undertaking a thorough, rigorous, and fact-based review, consistent with our statutory obligations under the Communications Act.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in dark ink, appearing to be "JG", is written over the printed name Julius Genachowski.

Julius Genachowski



FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable John Cornyn  
United States Senate  
517 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Cornyn:

Thank you for your letter expressing concerns about the proposed spectrum transfer and commercial agreements among CellCo Partnership d/b/a Verizon Wireless, Cox Communications, and SpectrumCo, LLC. I value your views and will ensure that your letter is included in the record of this proceeding and considered as part of the Commission's review.

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Julius Genachowski



FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Jim DeMint  
United States Senate  
340 Russell Senate Office Building  
Washington, D.C. 20510

Dear Senator DeMint:

Thank you for your letter expressing concerns about the proposed spectrum transfer and commercial agreements among CellCo Partnership d/b/a Verizon Wireless, Cox Communications, and SpectrumCo, LLC. I value your views and will ensure that your letter is included in the record of this proceeding and considered as part of the Commission's review.

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Julius Genachowski



FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Mike Lee  
United States Senate  
825 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Lee:

Thank you for your letter expressing concerns about the proposed spectrum transfer and commercial agreements among CellCo Partnership d/b/a Verizon Wireless, Cox Communications, and SpectrumCo, LLC. I value your views and will ensure that your letter is included in the record of this proceeding and considered as part of the Commission's review.

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Julius Genachowski





FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Patrick J. Toomey  
United States Senate  
711 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Toomey:

Thank you for your letter expressing concerns about the proposed spectrum transfer and commercial agreements among CellCo Partnership d/b/a Verizon Wireless, Cox Communications, and SpectrumCo, LLC. I value your views and will ensure that your letter is included in the record of this proceeding and considered as part of the Commission's review.

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Julius Genachowski